

COMMODITY LOSS INSTRUCTIONS

GENERAL INFORMATION

The regulations of the United States Department of Agriculture (USDA) requires that a claim determination be made whenever commodities furnished by them are made unavailable for serving to the persons for whom they were issued. The most common causes for losses are spoilage, insect or rodent infestation, excess inventory, damage, theft, and fire. USDA defines a claim determination: as "a decision regarding the basis and amount of liability, if any, for lost commodities and the persons or agencies liable. The result of a claim determination is to establish a claim or to determine that no claim exists.

Generally, an agency is found liable for spoilage or infestation occurring if commodities are not used during the period for which they are allocated or if proper storage conditions are not provided. Agency liability generally results under other circumstances also, if it appears that gross neglect caused the loss or that responsible personnel did not perform their responsibilities in a normal and prudent manner.

PART I – DISPOSAL INSTRUCTIONS (To be completed by FDS)

Disposal instructions will be indicated in Part 1 of the form by check mark in the appropriate block. If block "1" is checked, the recipient agency will be contacted by FDS representative.

PART II – DESCRIPTION OF LOSS (To be completed by recipient agency)

Whenever a loss of USDA commodities occurs for any reason, this form must be completed. If extra space is needed, use attachment FDS142A.

PART III – REPORT OF DISPOSITION (To be completed by recipient agency)

The recipient agency will comply with the instructions in Part I, complete and sign Part III, and return the original to FDS. A copy of the report should be retained by the recipient agency.

CLAIM DETERMINATION

The claim determination will be made by FDS and, if a liability exists, a letter will be forwarded to the recipient agency requesting payment of the fair market value of the lost commodities or replacement from commercial sources. If the available evidence indicates that no liability exists, the FDS will notify the recipient agency of its findings. All claim determinations are subject to review by USDA

California Department of Education
Nutrition Services Division
Food Distribution Section (FDS)
P.O. Box 944272, Sacramento, CA 94244-2720
Phone: (800) 952-5609 Fax: (916) 327-4004

FDS142 (3/00)

CLAIM NO. _____

REPORT OF USDA COMMODITY LOSS

Recipient Agency: _____ Vendor No: _____
Address: _____ County: _____
City: _____ Zip: _____ Phone: _____
Contact Person: _____ Fax: _____

PART I – DISPOSAL INSTRUCTIONS

Follow the instructions as checked below:

1. ☐ Do not destroy unusable commodities until authorized.
2. ☐ Destroy the unusable commodities reported in Part II in such a manner that they cannot be used for human consumption. This may be accomplished by: Dumping, burning, or putting in garbage. All containers must be opened and destroyed completely.
3. ☐ Certificate of disposal required when destroyed by a commercial agent.

Authorized FDS Representative

Date

PART II – Description of Loss

(Use attachment FDS 142A if needed)

1. Commodity: _____ Pack: _____ Quantity: _____
2. Date Received: _____ Invoice #: _____
3. Contract # on Container: _____ Pack Date: _____
4. Date Loss First Noticed: _____ Condition When Received: _____
5. Indicate Type of Loss:
() Refrigeration Malfunction () Insect Infestation () Rodent Infestation
() Spoilage () Theft () Excessive Inventory
() Outdated () Damaged Packaging () Fire
() Power Failure () Vandalized
6. Describe Loss and Give Details: _____
7. Type of storage & temperature provided at the time loss occurred: _____
8. Frequency of inspection of storage & equipment (including preventative maintenance & pest control): _____
9. Date of last inspection prior to loss: _____
10. Do you have insurance covering this loss: _____ Was Agent Notified: _____
11. If the commodities were stolen or vandalized, were police notified: _____
(Attach copy of Police Report)

PART III – REPORT OF DISPOSITION

– After disposal, complete this section, sign, and return two copies of this report to Food Distribution Section

1. Explain how commodities were destroyed: _____
2. Certificate of Disposal Enclosed (if applicable): _____

Authorized Agency Representative

Title

Date